



CITY OF LODI COUNCIL COMMUNICATION

AGENDA TITLE: Adopt resolution awarding concession operations at Lodi Lake Park to Hot Diggity Dog, Lodi, CA, for the period of June 9, 2007, to December 31, 2009

MEETING DATE: June 6, 2007

PREPARED BY: Parks and Recreation Director

RECOMMENDED ACTION: Adopt resolution awarding concession operations at Lodi Lake Park to Hot Diggity Dog, Lodi, CA, for the period of June 9, 2007, to December 31, 2009.

BACKGROUND INFORMATION: On April 18, 2007, Council authorized staff to advertise for bids for concession operations at Lodi Lake Park. One bid was received from Hot Diggity Dog with a return to the City of 15% of gross sales.

A Lake concession operation has been offered in the past, but has not been in operation since 2003. Low attendance at the Lake due to closures because of water quality was one of the reasons that the last concessionaire cancelled his contract.

Staff recommends awarding the contract to Hot Diggity Dog as a service to patrons of Lodi Lake Park.

FISCAL IMPACT: Estimated revenues of \$3,000 per year.

FUNDING AVAILABLE: No funding considerations

Kirk Evans, Budget Manager

Tony C. Goehring
Parks and Recreation Director

TCG/MR:tl

cc: City Attorney

APPROVED: _____
Blair King, City Manager

AGREEMENT

CITY OF LODI

DEPARTMENT OF PARKS AND RECREATION

Concession Operations at Lodi Lake Park and

Other Locations for Recreational Events (Determined Quarterly by Mutual Agreement

With Concessionaire and Director of Parks and Recreation)

THIS AGREEMENT, made and entered into this ____ day of June, 2007, by and between the CITY OF LODI ("City"), and Hot Diggity Dog ("Concessionaire").

WITNESSETH:

Concessionaire agrees to operate food cart concessions at Lodi Lake Park and other locations for recreational events (determined quarterly by mutual agreement with concessionaire and Director of Parks and Recreation) in strict compliance with San Joaquin County Health Department standards and requirements for concession operations, and under the following terms and conditions:

Area to be Serviced:

Lodi Lake Park, 1301 West Turner Road, Lodi, CA, and other locations for recreational events (determined quarterly by mutual agreement with concessionaire and Director of Parks and Recreation).

City does hereby grant to Concessionaire the sole and exclusive right/license to vend food, drinks, picnic supplies, souvenirs, and other concession items as approved by the City of Lodi, from food carts at Lodi Lake Park, 1301 West Turner Road, Lodi, CA, and other locations for

recreational events (determined quarterly by mutual agreement with concessionaire and Director of Parks and Recreation), beginning June 6, 2007 and ending December 31, 2009.

The City of Lodi reserves the right to waive exclusive license and permit the operation of additional concession activities during the following events:

Fourth of July Celebration/Festival
Major Special Events
All Private Facility Rentals

The City will provide:

1. Garbage receptacles. However, Concessionaire will be responsible for removing, at Concessionaire's own cost and expense, all large boxes, storage containers, and/or packaging materials which may accumulate from equipment or food storage packaging;
2. Maintenance of the general property, unless abuse and lack of general care is apparent, at which time the cost and expenditures for repairs and maintenance shall be borne by the Concessionaire.

CONCESSION OPERATION CONDITIONS:

1. The length of the contract shall be from June 6, 2007, and ending at midnight on December 31, 2009.
2. Concessionaire agrees to maintain in full force during the term hereof, a policy of general liability insurance which contains an Additional Named Insured Endorsement naming the City of Lodi, its officers, agents, and employees as Additional Insureds, and under which the insurer agrees to indemnify and hold the City of Lodi harmless from and against all costs, expenses, and liability arising out of, or based upon, any and all property damage, or damages for personal or bodily injuries, including death, sustained in accidents occurring in or about the demised premises; where such accident, damage, or injury, including death, results or is claimed to have resulted, from any act or omission on the part

of the Concessionaire or Concessionaire's agents or employees in the implementation of this Agreement. The minimum limits of such insurance shall be \$1,000,000 general aggregate. In addition to the Additionally Named Insured Endorsement on Concessionaire's policy of insurance, said insurance policy shall be endorsed to include the following language:

"Such insurance as is afforded by the endorsement for the Additional Insureds shall apply as primary insurance. Any other insurance maintained by the City of Lodi or its officers and employees shall be excess only and not contributing with the coinsurance afforded by this endorsement."

A duplicate or certificate of said bodily injury and proper damage insurance containing the above-stated required endorsement shall be delivered to the Risk Manager after the issuance of said policy, with satisfactory evidence that each carrier is required to give the City of Lodi at least 30 days prior notice of the cancellation or reduction in coverage of any policy during the effective period of this Agreement. The insurance certificate must state on its face or as an endorsement, the name of the Concession that it is insuring. If there has been no such delivery within forty-eight (48) hours prior to the commencement of this Agreement, this Agreement shall be null and void. All requirements herein provided shall appear either in the body of the insurance policy or as endorsements and shall specifically bind the insurance carrier. This paragraph and all other provisions of this Agreement shall apply and be construed as applying to any subtenant of Concessionaire; in the event any such subtenant is allowed under the provisions of paragraph 13 of this agreement.

Notwithstanding other provisions contained in this Agreement, the City Manager is granted the right to immediately terminate the Agreement upon failure on the part of the Concessionaire to keep in full force and effect during the entire term of the agreement, the insurance as set forth in this section.

3. Concessionaire shall, prior to opening for business each year of said Agreement, furnish a "Products and Price Schedule" and shall follow the products and price schedule as negotiated between the City Manager or his representative and Concessionaire.
4. Concessionaire shall provide all equipment and products to operate said concessions.
5. Concessionaire shall pay 15% of gross receipts after taxes to the City of Lodi, which payments shall be due on the tenth (10th) calendar day of every month for sales of the previous month. If said percentage has not been paid by the due dates, there shall be a penalty of five percent (5%) per day for any amounts not paid, and owing to the City. The Concessionaire shall keep accurate records and books of accounts of all purchases and sales, and does hereby give to the City or its authorized agents, the right to examine and audit said books at any time City desires. The Concessionaire shall complete monthly records on forms provided by the City, and these reports shall accompany gross receipts payments, provided to the City by the tenth (10th) calendar day of each month while concessions are in operation.
6. The dates and times of operation shall be as follows:

LODI LAKE OPERATIONS

- A. Concessionaire shall operate from May 1 to September 30 each year, on weekends between May 1 and Memorial Day, daily from Memorial Day through Labor Day, and on weekends between Labor Day and September 30. Days of operation may be negotiable to realize optimum operating efficiencies and profitability while meeting the needs of park guests.
- B. The hours of operation of the Concession shall be from 8:00 a.m. until dusk each day of operation, unless different hours are mutually agreed to by City and Concessionaire.

OTHER LOCATIONS FOR RECREATIONAL EVENTS/ACTIVITIES

Dates and times of operation to be mutually agreed upon in writing by the concessionaire and Parks and Recreation Director on a quarterly basis.

1. Concessionaire agrees to obtain at his/her own expense, any and all permits and licenses which may be required by law or ordinance in conducting the concessions, and to pay any and all taxes and assessments which may be assessed against him or her for whatever purposes in the operation of said concessions.
2. Maintenance:
Concessionaire shall keep the food carts and the immediate surrounding areas in clean and presentable condition at all times and follow the strictest of sanitary conditions, and any State and local ordinances applicable to the business to be conducted. Concessionaire shall be responsible for daily removal from the premises all packaging materials (cartons, boxes, cases) in which food and beverage items are packed. Concessionaire shall be responsible to give the City written notice of any maintenance problems.
3. The rights granted hereunder for concession sales at the identified park and other locations for recreational events (determined quarterly by mutual agreement with concessionaire and Director of Parks and Recreation), shall be exclusive to Concessionaire, save and except any special events (e.g. boat races, Fourth of July events, major special events, etc), conducted outside the normal course of operations at the above described locations, and of which the City Manager shall give concessionaire five (5) days advance notice.
4. Concessionaire is aware that a Possessory Interest Tax is or may be charged each year by the County Assessor for the use of the facilities and that payment of this tax is the responsibility of the vendor.

11. The Parks and Recreation Director reserves the right to approve or disapprove any employee or operator of said concession stand on a basis of such considerations as dress, general cleanliness, and working relationship with the public and staff, as needed to successfully vend food for day-to-day operations, tournaments or special events or activities. (The City will counsel and coordinate this action with Concessionaire manager). All concession employees will be dressed in like uniforms, white or light color as approved by the Parks and Recreation Director, and be identified, by name, as employees of Concessionaire. All concession employees shall wear appropriate head attire to meet San Joaquin County Health Department requirements, and shall be clean at all times.
12. The City reserves the right to enter upon the premises at any reasonable time to inspect the operation and equipment thereon, or for any other purpose.
13. Concessionaire shall not have the right to sell, mortgage, assign or sublet the contract/agreement or any part thereof without the prior written consent of the City Manager or his representative. A breach of this condition shall automatically terminate any contract or agreement between City and Concessionaire. (In the event that Concessionaire is unable to provide required concession products and/or services for special events, the City shall have the right to secure said services and/or food and beverage products, and to negotiate any and all agreements or contracts to provide said services and/or food and beverage products for sale to the public, and all proceeds therefrom shall be forfeited to the City. Said original Concessionaire shall have first right of refusal to participate in said negotiations.)
14. The agreement/contract may be terminated by written agreement of either party hereto without cause upon thirty (30) days written notice to the other party. Such notice shall be delivered to the City Manager's office, City Hall, 221 West Pine Street, Lodi, or to the Concessionaire at a premises which is subject to this agreement.

15. Concessionaire shall be required to provide to the City upon the signing of this agreement a Fidelity Bond in the amount of \$1,000, or other security of equal value approved by the City Attorney.
16. If Concessionaire defaults in any of the terms contained herein, the Concessionaire's agreement to provide service as specified herein shall terminate upon failure of Concessionaire to correct the default within thirty (30) days of receiving written notice thereof from the City. Upon any termination thereof, Concessionaire agrees to quit and surrender possession peaceably and City shall have the right to remove Concessionaire and all others occupying through or under this agreement. Under such termination of agreement the Concessionaire's performance bond shall be forfeited to the City for payment of all outstanding debts owed by Concessionaire to the City, including monthly payment(s) and any and all reimbursements for repairs or replacement of the facilities.
17. In the event that either party brings an action under this Agreement for the breach or enforcement thereof, the prevailing party in such action shall be entitled to its reasonable attorneys' fees and costs, whether or not such action is prosecuted to judgment.
18. At the City's discretion, according to the decision of the City Manager upon the recommendation of the Parks and Recreation Director, a two-year extension of this agreement beyond the December 31, 2009, term may be considered, based upon the performance of concessionaire during the initial term of this agreement.

IN WITNESS WHEREOF, the parties hereto have hereunder set their hands the day and year first hereinabove written.

CONCESSION OPERATIONS

LODI LAKE PARK

CITY OF LODI, a municipal
corporation

CONCESSIONAIRE,

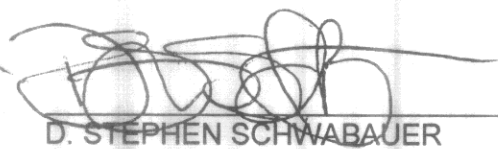
BLAIR KING
City Manager

DEMETRA KOUCHIS
Hot Diggity Dog

ATTEST:

RANDI JOHL
City Clerk

APPROVED AS TO FORM:



D. STEPHEN SCHWABAUER
City Attorney

RECEIVED

MAY 15 2007

PARKS & RECREATION

PROPOSAL FORM

To: The Lodi City Council, Lodi, California
c/o Director of Parks and Recreation

If delivered by mail:

125 N. Stockton Street
Lodi CA 95241-1910

If delivered by UPS, FedEx, or courier

125 N. Stockton Street
Lodi CA 95240

From: HOT DIGGITY DOG
(Name of Vendor)

The undersigned declares to have carefully examined the Notice Inviting Proposals, the Agreement attached hereto, and these instructions for submitting this proposal for the conduct and operation of food cart concessions at Lodi Lake Park and other locations as approved quarterly by mutual consent of the Concessionaire and Director of Parks and Recreation for periods between May 26, 2007 and December 31, 2009, and agrees to be fully informed regarding all of the conditions affecting the performance under the terms of these instructions and documents, and that the information was secured by personal investigation and research and not from any estimate of any City employee or agent, and that no claim will be made against the City by any reason of estimates or representations of any officer or agent of the City; and proposes and agrees if the proposal be accepted, to perform the duties of the operation of said concessions in strict compliance with San Joaquin County Health Department standards and requirements for concession operations, and according to the Agreement attached hereto.

The undersigned hereby proposes to pay the City of Lodi the amount of

15 %

of the gross sales from concession operations after sales taxes for the privilege of furnishing concession services at Lodi Lake Park in accordance with the attached specifications and Agreement.

The vendor hereby submitting this proposal shall also attach to this proposal a written or typewritten statement which shall include information as to:

- Experience, background, and reliability in performing and providing a successful concession operation; Financial condition and bondability;
- List of foods, beverages, and other items and services proposed to offer in concession operations at Lodi Lake Park;
- A list of at least three references indicating successful operation of a concession during the past five years.

In submitting this proposal as herein described, vendor agrees to have carefully examined the specifications and provisions of this proposal form and understands the meaning, intent, and requirements of same;

That, if awarded the contract, vendor will enter into a written contract and furnish the services in the time specified in strict conformity with the specifications and conditions contained therein for the price quoted by the vendor on this proposal;

And that this proposal is genuine, and submitted in good faith, without collusion or fraud, and that the only persons or firms interested in this proposal as principal or principals are named herein, and that this proposal is made without connection with any other person, partnership, or corporation making a proposal.

This proposal may be withdrawn by the written request of an authorized representative of the undersigned at any time prior to the deadline for submitting proposals.

Business Name: HOT DIGGITY DOG
Address: 2115 YOSEMITE DRIVE
Telephone: 209 - 369 - 4641
Type of Business: (Individual, Partnership, Corp.) INDIVIDUAL
Name of Authorized Representative: DEMETRA KOUCHIS
Signature: _____
Title: OWNER
Date: MAY 10, 2007

To Whom It May Concern:

My name is Demetra Kouchis and I am very excited to submit my proposal to the City. I have many years of experience in running my own business. I came from a family of entrepreneurs. My mother ran and operated Demetra's Fruit stand in Lockeford in the 1970's. My parents and I owned and operated DGD Cherry Tree Fruitstand in Victor in 1988 - 1994. During that same time I ran a very successful hotdog cart in front of the Food-4-Less Store at the March Lane location from 1988 - 1990. The reason I no longer was able to remain at that location was due to the store's insurance clause. I continued the hotdog cart business running it at the local farmer's market from 1991 - 1995. During this time until 2004 I primarily ran the hotdog cart for school and sport fund raisers.

In 2004 I was given a great opportunity. I became the exclusive vendor of cotton candy, Hawaiian Shaved Ice and caramel glazed pop corn for the Stockton Ports. The name of the business used only at the Stockton Ports is TONY'S COTTON CANDY. I had three employees helping me to make a successful concession. This year will be the third season. Enclosed with my proposal is a letter of recommendation from Mr. Swope, who is the gentleman that gave me this opportunity to work with the Ports. I truly enjoyed the time at the Ports and having the best seat in the house (my concession stand).

As Mr. Swope's letter states, running a good concession requires hard work and dedication and a love of the business. I truly love what I do and its evident through me to my customers. I love hearing the kids shout "Hey, there's the cotton candy lady!"

To support my financial condition, I've enclosed a copy of my 2005 Federal Income tax and my 2006 W-2's including my request for an extension.

Upon approval of my proposal, becoming bonded as well as having liability insurance will be put into effect immediately.

Thank you for considering my proposal.


Demetra Kouchts

HOT DIGGITY DOG PRICES

6" ALL BEEF HOTDOG	\$ 1.50
8" ALL BEEF HOTDOG	\$ 2.50
ALL BEEF POLISH DOG	\$ 2.50
HOT LINK	\$ 2.50
SODAS	\$ 1.00
BOTTLED WATER	\$ 1.00
GATORADE	\$ 2.00
ROCKSTAR	\$ 2.00
CAPRI-SUN	\$ 0.50
CHIPS	\$ 0.50
JERKY	\$ 1.50
CORN NUTS	\$ 0.75
LICORICE	\$ 0.10
RING POPS	\$ 0.50
NOW & LATERs	\$ 0.25
COTTON CANDY	\$2.00
HAWAIIAN SHAVED ICE	\$2.00
CARMEL GLAZED POP	\$2.00
PICNIC SUPPLIES	\$2.00 (plates or cups or utensils)

NOVELTY ITEMS DEPENDING ON HOLIDAYS (ie: Light up toys for 4th of July or glow in the dark necklaces) \$1.00 – \$5.00

FACE PAINTING FOR SPECIAL EVENTS \$2.00 - \$5.00

HOT DIGGITY DOG EQUIPMENT

ONE HOTDOG CART

2 HAWAIIAN SHAVED ICE MACHINES

(one can be portable as it uses a marine battery)

no electricity needed!!

2 COTTON CANDY MACHINES

1 12oz KETTLE POPCORN MACHINE

HOT DIGGITY DOG REFERENCES

BRAD CLARK

Manager of Food-4-Less (1988)

presently at Rancho San Miguel

209-482-6396

can verify hotdog cart located at the March Lane location

FRANK PAZZANESE

Director of Food/Beverage Stockton Ports (2006)

presently with the San Jose Sharks

209-923-0392

MICHAEL SWOPE

Vice President of Sales & Marketing Stockton Ports (2004 – 2006)

presently in Arizona

702-306-7590

please see attached letter of recommendation

ANGELINA NARANJO

Director of Linden Soccer Association

209-479-0214

can verify soccer and school fundraising activities

To Whom It May Concern:

I worked as a business associate of Demetra Kouchis in Stockton, California for a period of a year and a half in 2004-2006. Demetra was a subcontractor/concessions vendor at Banner Island Ballpark, where I was the VP of Sales & Marketing.

I was blessed to meet Demetra and to have gotten to know her more on a personal level. She possesses the highest level of integrity of any subcontractor that I have worked with in the last 11 years in professional sports.

There was no question that Demetra would be in attendance and staffing her business area during each Stockton Ports event. Like clockwork she was in early and the last vendor to leave. She adhered to every policy of the Ports and her entire staff demonstrated night in and night out superior customer service to all fans in attendance.

Her business and the way it was ran aided in the overall success of Banner Island Ballpark. If the opportunity to work with Demetra presented itself again, I would not hesitate to do so.

I would recommend Demetra and her vendor services to any organization, municipality, company and business. I have no doubt that she would be a tremendous asset to the community of Lodi.

Sincerely,



Michael Swope

702-306-7590

mswope8@hotmail.com

RESOLUTION NO. 2007-_____

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE CONTRACT FOR LODI LAKE
PARK CONCESSION OPERATIONS

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WHEREAS, Request for Proposals were solicited and received for Lodi Lake Park Concessions for the period of June 9, 2007 through December 31, 2009, described in the specifications therefore approved by the City Council on April 18, 2007; and

WHEREAS, a sole Proposal was received and a report thereof filed with the City Manager as follows:

<u>Bidder/Location</u>	<u>Bids</u>
Hot Diggity Dog, Lodi	Percentage to City -15 of Gross Sales

WHEREAS, the City Manager recommends award of the contract for Lodi Lake Park Concession Operations be made to the sole bidder, Hot Diggity Dog, of Lodi, California.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the bid for Lodi Lake Park Concession Operations, be and the same is hereby awarded to the sole bidder, Hot Diggity Dog, of Lodi, California, for the percentage return to the City of 15% of gross sales.

Dated: June 6, 2007

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I hereby certify that Resolution No. 2007-_____ was passed and adopted by the City Council of the City of Lodi in a regular meeting held June 6, 2007, by the following vote:

AYES: COUNCIL MEMBERS –

NOES: COUNCIL MEMBERS –

ABSENT: COUNCIL MEMBERS –

ABSTAIN: COUNCIL MEMBERS –

RANDI JOHL
City Clerk

2007-_____